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IN THE

Supreme Court of the United States

OCTOBER TERM, 1966

No. 743

NORTON COMPANY, STUDEBAKER-PACKARD CORPORATION, and HADCO CORPORATION, *Petitioners*

v.

MINNESOTA MINING AND MANUFACTURING COMPANY, *Respondent.*

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SIXTH CIRCUIT AND APPENDIX

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INDEX

	Page
I. Opinions Below	2
II. Jurisdiction	2
III. Reasons Relied Upon For Granting The Writ	3
IV. Questions Presented	4
V. Federal Statutes Involved:	
35 U.S.C. 185	4
35 U.S.C. 184	5
35 U.S.C. 181	5
35 U.S.C. 186	6
VI. Statement Of The Case	7
VII. Argument	8
General	8
Point 1—The Public Interest In National Security Is Adversely Affected	9
Point 2—The Court Below Would Permit Invalid Patents To Operate As Valid Ones	11
Point 3—Section 185 Does Not Provide For Validation Of Patents By Retroactive License	14
Point 4—If The Congress Had Intended That Invalid Patents Could Be Validated, It Would Have Protected Those Persons Already Dealing With The Accused Products	15
Point 5—The Congress Has Never Given the Patent Office Jurisdiction to Alter Patents Except Where Such Jurisdiction Is Explicitly Recited	17
Point 6—The Commissioner Of Patents Has Declined To Rule On The Questions Presented	18
Point 7—The Decision Below Demonstrates Misunderstanding Of The Authorities	19
VIII. Conclusion	23

APPENDIX Page

Opinion Of The Court Of Appeals Below 1A
Opinion Of The District Court Below 9A
Related Opinion Of The District Court Below 18A

TABLE OF CASES

Blake et al. v. *The Bassick Co.*, 146 USPQ 157 (N.D. Ill. 1963) 21
Beckman Instruments, Inc. v. *Coleman Instruments, Inc.*, 338 F.2d 573 (C.A. 7, 1964) 21, 22, 23
Precision Instruments Manufacturing Co. v. *Automotive Maintenance Machinery Co.*, 324 U.S. 806, 815 13
Rinker & Duva, In re, 145 USPQ 156 .....15, 18, 20
Sears, Roebuck & Co. v. *Stiffel Co.*, 376 U.S. 225 (1964) 14
Spokane & Inland Railroad v. *United States*, 241 U.S. 344 11

OTHER AUTHORITIES

Title 28 United States Code

Section 1254(1) 2
Section 2101(c) 2
Section 1291 22
Section 1338 2
Section 2201 12

Title 35 United States Code

Section 181 5
Section 184 .....3, 4, 5, 8, 9, 12, 13, 14, 19, 20, 21
Section 185 .....3, 4, 7, 8, 9, 14, 15, 19, 21, 22, 23
Section 186 .....6, 9, 18
Section 251 17
Section 252 .....16, 17
Section 253 17
Section 254 17
Section 255 17
Section 256 18

Rule 22(3) of Supreme Court of the United States ... 2
Congressional Hearings on H.R. 4687 10
Boykin Act (Act of Aug. 8, 1946, 60 Stat. 940), Section 6 20

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PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SIXTH CIRCUIT

Petitioners (defendants and appellees below) respectfully pray that a Writ of Certiorari issue to the United States Circuit Court of Appeals for the Sixth Circuit to review a Judgment of that Court entered September 13, 1966 which reversed a Judgment of the United States District Court for the Northern District of Ohio, Eastern Division, entered March 30, 1965, which District Court judgment granted petitioners' Motion for Summary Judgment and dismissed respondent's complaint for patent infringement on the

ground that the patent in suit was invalid as a matter of law pursuant to Title 35 United States Code, Section 185.[1]

I. OPINIONS BELOW

The opinion of the United States Court of Appeals for the Sixth Circuit, — F.2d —; 151 USPQ 1, appears in the appendix to this petition, pages 1A to 9A. The opinion of the United States District Court for the Northern District of Ohio, 240 F. Supp. 150, 145 USPQ 81, appears in the appendix to this petition, pages 9A to 18A. An earlier decision of the same District Court in this case, not appealed from, but related to the one appealed from, appears at 144 USPQ 272 and in the appendix to this petition, pages 18A to 29A.

II. JURISDICTION

This Court has jurisdiction to issue the writ now requested under the provisions of Title 28, United States Code, Sections 1254(1) and 2101(c), and also Rule 22(3) of this Court.

The Judgment of the Court below was entered September 13, 1966.

No Petition for Rehearing has been filed in the Court below and no extension of time for filing this Petition has been requested.

The jurisdiction of the District Court below was founded on the patent laws of the United States, Title 35 United States Code, and Title 28 United States Code, Section 1338. The jurisdiction of the Circuit Court of Appeals below was founded on Title 28 United States Code, Section 1291.

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[1] All references herein to Title 35 United States Code are to the 1952 Edition thereof, with amendments to date, if there be any.

III. REASONS RELIED UPON FOR GRANTING THE WRIT

Important questions of Federal law involving both the national security and commercial rights of the public are presented by this petition, which have not been, but should be settled by this Court.

The Court of Appeals has erroneously created a broad and unintended exception to the general prohibition of a patent statute, Title 35 U. S. Code, Section 185 which was enacted in the interest of national security. The decision of the Court of Appeals so favors the private interests of the patent owner, that it will encourage violations of the statute with impunity, and will thwart the general national security purposes of the statute.

The Court of Appeals has misconstrued Section 185 in such manner that patents which are invalid by its terms may now operate as valid ones, wherefore the public interest is seriously and adversely affected.

Federal Patent Statute, Title 35 United States Code, Section 184 prohibits filing foreign patent applications earlier than six months from the filing date of the U. S. patent application unless a license to do so has first been obtained from the Commissioner of Patents. Section 185 provides, however, that a person "shall not receive a United States Patent" without obtaining such a license and if such a patent does issue that it "shall be invalid". The Court of Appeals has ignored these provisions.

Numerous cases other than the present one have already arisen wherein the application and interpretation of this statute is involved, and the same questions as now presented will continue to arise indefinitely in other cases, unless now settled by this Court.

IV. QUESTIONS PRESENTED

1. When a United States patent is invalid at the time it issues, under Title 35, U.S.C., Section 185, for failure of the patentee to procure the required foreign filing license prescribed in Section 184 of Title 35, can a license thereafter obtained from the Commissioner of Patents cause the invalid patent to become valid?

2. Where a patent on a product is invalid upon issuance, and throughout the period of a defendant's manufacture of the product on which the Complaint was based, because the plaintiff-patent owner filed premature patent applications in foreign countries without securing a license to do so as required by 35 U.S.C. 184,—can the Commissioner of Patents by issuing *ex parte* to the plaintiff a license authorizing such foreign filings retroactively, even while the patent is in litigation before a District Court, take away from the defendant and therefore from the public the right to rely on this defense of invalidity, in respect of manufacture of the product during the period of time after the issuance of the patent and before the retroactive license was obtained?

V. FEDERAL STATUTES INVOLVED

A. The statute directly involved:

Title 35 United States Code, Section 185:

> Notwithstanding any other provisions of law any person, and his successors, assigns, or legal representatives, shall not receive a United States patent for an invention if that person, or his successors, assigns, or legal representatives shall, without procuring the license prescribed in section 184 of this title, have made, or consented to or assisted another's making, application in a foreign country

for a patent or for the registration of a utility model, industrial design, or model in respect of the invention. A United States patent issued to such person, his successors, assigns, or legal representatives shall be invalid.

B. The statute referred to in Section 185:

Title 35 United States Code, Section 184

Except when authorized by a license obtained from the Commissioner a person shall not file or cause or authorize to be filed in any foreign country prior to six months after filing in the United States an application for patent or for the registration of a utility model, industrial design, or model in respect of an invention made in this country. A license shall not be granted with respect to an invention subject to an order issued by the Commissioner pursuant to section 181 of this title without the concurrence of the head of the departments and the chief officers of the agencies who caused the order to be issued. The license may be granted retroactively where an application has been inadvertently filed abroad and the application does not disclose an invention within the scope of section 181 of this title.

The term "application" when used in this chapter includes applications and any modifications, amendments, or supplements thereto, or divisions thereof.

C. The pertinent portion of the statute referred to in Section 184:

Title 35 United States Code, Section 181 (Third and Fourth paragraphs omitted).

Whenever publication or disclosure by the grant of a patent on an invention in which the Govern-

ment has a property interest might, in the opinion of the head of the interested Government agency, be detrimental to the national security, the Commissioner upon being so notified shall order that the invention be kept secret and shall withhold the grant of a patent therefor under the conditions set forth hereinafter.

Whenever the publication or disclosure of an invention by the granting of a patent, in which the Government does not have a property interest, might, in the opinion of the Commissioner, be detrimental to the national security, he shall make the application for patent in which such invention is disclosed available for inspection to the Atomic Energy Commission, the Secretary of Defense, and the chief officer of any other department or agency of the Government designated by the President as a defense agency of the United States.

D. The penalty statute related to Sections 181 and 184:

Title 35 United States Code, Section 186

Whoever, during the period or periods of time an invention has been ordered to be kept secret and the grant of a patent thereon withheld pursuant to section 181 of this title, shall, with knowledge of such order and without due authorization, willfully publish or disclose or authorize or cause to be published or disclosed the invention, or material information with respect thereto, or whoever, in violation of the provisions of section 184 of this title, shall file or cause or authorize to be filed in any foreign country an application for patent or for the registration of a utility model, industrial design, or model in respect of any invention made in the United States shall, upon conviction, be fined not more than $10,000 or imprisoned for not more than two years, or both.

VI. STATEMENT OF THE CASE[2]

Respondent (plaintiff and appellant below) sued the petitioners (defendants and appellees below), charging infringement of respondent's United States patent 2,958,597.[3]

When issued on November 1, 1960 the patent was invalid under Title 35 United States Code, Section 185[4] because an application had been filed in each of five foreign countries[5] prior to six months after the filing of the application in the United States without a license having been procured authorizing the foreign filings.

Petitioners moved the District Court for summary judgment of dismissal of the Complaint due to the invalidity of the patent because of the aforesaid violation of Section 185. On January 4, 1965 the District Court delivered its decision granting the motion and holding the patent invalid.[6] The respondent has not pursued an appeal from the merits of that decision.

Subsequent to the District Court's decision on January 4, 1965, and more than four years after the patent had been issued, respondent obtained from the United

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[2] The transcript of the record accompanying this petition consists of the separate printed appendices of the respective parties filed in the Court below. For convenience hereinafter the reference "RA" is to the respondent's appendix below (appellant, brown cover). Similarly, the reference "PA" hereinafter is to petitioners' appendix below (appellees, blue cover).

[3] The Complaint appears at RA 9a, and the patent at RA 165a.

[4] Hereinafter, "Section 185", if not cited in full.

[5] Respondent filed unlicensed applications in: Argentina (PA 33B), Australia (PA 34b), Italy (PA 35b), Japan (PA 36b), and Sweden (PA 37b).

[6] The January 4, 1965 decision of District Court below appears at pages 18A-29A of the appendix to this petition.

States Patent Office a license authorizing the foreign filings.[7] [8] Respondent secured this license by representations to the Patent Office that the foreign filings had been made inadvertently.

Respondent then moved the District Court to reconsider its January 4, 1965 decision, asserting that the invalid patent had become valid. The District Court overruled that motion March 10, 1965,[9] declaring that any retroactive license under Title 35 United States Code, Section 184[10] was inoperative to create a valid United States patent because it had been procured after the issuance of the patent.

On appeal the United States Circuit Court of Appeals for the Sixth Circuit reversed the March 10, 1965 decision of the District Court, and this petition follows.[11]

VII. ARGUMENT

General

The reason the writ should be allowed is that Federal Patent Statute Title 35 United States Code, Section 185 has been misconstrued by the Court of Appeals, thus leaving important Federal questions unsettled and in a manner which seriously and adversely affects the public interest. The right of the public to be free of

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[7] License at RA 196a.

[8] Another license had been previously granted, but it was not granted until after the foreign filings and did not authorize the foreign filings, see license at RA 142a.

[9] The March 10, 1965 decision is at pages 9A-18A of the appendix to this petition.

[10] Hereinafter, "Section 184", if not cited in full.

[11] The decision of the Court of Appeals appears at pages 1A-9A of the appendix hereto.

unwarranted patent monopolies is involved. Aspects of the procedures for assuring the national security are involved. The decision below enables invalid patents to pose as valid ones. Manifestly, the Congress never intended such results to obtain, and its actions and its statutory language make clear that it did not so intend. If permitted to stand as law, the erroneous interpretation of the statute by the Court below will have an impact reaching far beyond the present litigants and will create unwarranted conditions for other parties in other situations. The questions presented have already arisen in many other cases,[12] and will continue to arise indefinitely unless settled by this Court.

Point 1—The Public Interest in National Security Is Adversely Affected

It is extremely important to the public interest that there be some teeth in Sections 184 and 185. These sections are obviously intended to prevent dissemination of information abroad until officials of the United States have *first* had an opportunity to inspect the application as filed in the United States. Inasmuch as fines up to $10,000.[13] would not be a significant deterrent to wealthy corporations, it is logical that Congress intended to strip same of their United States patent rights if applications were filed abroad in disregard of Section 184.

The effect of the ruling by the Court below is to greatly reduce the hazards of ignoring or being care-

[12] The other decisions are cited in the decision of the Court below, see Page 8A of the appendix to this petition.

[13] Provided for in Title 35 United States Code, Section 186, printed at page 6 this petition.

less about the dissemination of information abroad in filing for foreign patents. Thus, *the Court below encourages exactly what the statute is intended to prevent,* to wit, private persons (patent applicants) rather than Government officials *first* making the decision as to presence of security matter.

More than disclosures of secrets such as inventions in atomic energy are involved. For example, in Hearings on H.R. 4687, Congressman Willis described the purpose of the legislation in the following terms:[14]

> "Mr. Willis: Of course, we all have in mind when we talk about secrecy and national defense, some weapon or some new invention almost along the line of atomic energy, and none of us would oppose that kind of legislation on that question, but we must remember that this bill goes much farther than that. For instance, during the last war, *such things as paint* were held to be necessary for the national defense."

The Court of Appeals has read a retroactive license *exception* into the Statute in such a broad manner as to encourage non-compliance with the general policy of the statute, which is to prohibit the filing of foreign patent applications *without first securing a license to do so.* Under this interpretation, corporations owning U. S. patent applications may file with impunity in foreign countries without waiting to obtain a license to do so, knowing that they can go back to the Commissioner at any time they choose, even years later, and obtain a retroactive license, if the public has not submitted to their invalid patent and if it then becomes necessary to bring suit on it.

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[14] PA 187a.

This interpretation, which unduly broadens the exception to the statute, violates the elementary rule which has been pronounced by this Court, that exceptions from a general policy which a law embodies should be *strictly construed*, and should not be interpreted to impair the general purposes intended to be accomplished by the law. *Spokane & Inland Railroad* v. *United States*, 244 U.S. 344.

Point 2—The Court Below Would Permit Invalid Patents To Operate as Valid Ones

Another area wherein the public interest is seriously and adversely affected by the ruling of the Court below, is in respect of invalid patents being able to pose and operate as valid patents.

The unfortunate interpretation by the Court of Appeals below means that after an invalid patent has issued, and members of the public have engaged in business, and even after suit has been brought on such an invalid patent, and even after a District Court has dismissed the suit because of such invalidity, the invalid patent can then be made valid.

The Court of Appeals below has gone so far as to enable the patentee to recover damages for the period during which the patent was invalid.

Under the ruling of the Court of Appeals below, no member of the public may dare to utilize the subject matter of the *invalid* patent, lest at some later time the patentee may appear with allegations of "inadvertence", obtain a retroactive license, and proceed to enforce the otherwise invalid patent even as to the period it was invalid. The longer the patentee can delay his allegations of "inadvertence" the more difficult it will be for the public to muster rebuttal evidence

on the point. Until a member of the public would take the risk of actually entering business and be then accused of infringement, he could not even bring a declaratory judgment action to test the ability of the patentee to prove "inadvertence".[15] It will be seen that the ability to avoid test of the patent will protect parties who deliberately ignore Section 184, and file within six months in foreign countries without license.

The dangers are quite real. There are several countries which have laws to the effect that a printed publication anywhere in the world describing an alleged invention will bar a valid patent in that country unless an application is filed therein before the publication date.[16] There are also countries which furthermore have no reciprocal agreement with the United States whereby a filing date in the latter is effective in the other country.[17] Still other countries require that an application be filed within six months of a publication abroad by the applicant.[18] Thus there will be situations where a party in the United States will become aware that a bar is running against him in a foreign country and he will have to obtain a filing date immediately *in that foreign country* to have a valid patent therein. Thus he may deliberately place his own private interests above those of the public and file in that country without obtaining a license under Section 184 because the other country will not excuse or delay the

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[15] The declaratory judgment jurisdictional statute, Title 28 United States Code, Section 2201, requires that there be an "actual controversy".

[16] e.g., Argentina, Sweden and Italy, wherein respondent filed without license.

[17] e.g., Argentina, wherein respondent filed without license.

[18] e.g., Japan, wherein respondent filed without license.

application of its laws while the license is awaited in the United States.

The real effect of the lower Court's ruling, therefore, is to enable a person who has deliberately violated Section 184 to nevertheless intimidate the public and prospective manufacturers by causing them as a practical matter to submit to his invalid patent as if it were valid. This he can do, as was done in the present case, by not informing the United States Patent Office of the foreign filings. Such a result is entirely contrary to the public interest, which is paramount to that of the patentee. As this Court held in *Precision Instrument Manufacturing Co.* v. *Automotive Maintenance Machinery Co.*, 324 U.S. 806, 815:

> "The possession and assertion of patent rights are 'issues of great moment to the public.' Hazel-Atlas Glass Co. v. Hartford-Empire Co., 322 U.S. 238, 246, 88 L. ed. 1250, 1255, 64 S. Ct. 997. See also Mercoid Corp. v. Mid-Continent Invest. Co., 320 U.S. 661, 665, 88 L. ed. 376, 380, 64 S. Ct. 268; Morton Salt Co. v. G. S. Suppiger Co., (U.S.) supra; United States v. Masonite Corp., 316 U.S. 265, 278, 86 L. ed. 1461, 1475, 62 S. Ct. 1070. A patent by its very nature is affected with a public interest. As recognized by the Constitution, it is a special privilege designed to serve the public purpose of promoting the 'Progress of Science and useful Arts.' At the same time, a patent is an exception to the general rule against monopolies and to the right to access to a free and open market. The far-reaching social and economic consequences of a patent, therefore, give the public a paramount interest in seeing that patent monopolies spring from backgrounds free from fraud or other inequitable conduct and that such monopolies are kept within their legitimate scope."

The patent laws must be definite. The Constitutional purpose of the patent laws to promote the useful arts is not carried out by keeping the public uncertain as to what it can do and what it cannot do because of a patent. As this Court has recently stated in *Sears, Roebuck & Co.* v. *Stiffel Co.*, 376 U.S. 225, 229 (1964):

> "The grant of a patent is the grant of a statutory monopoly . . . Patents are not given as favors, as was the case of monopolies given by the Tudor monarchs . . . But in rewarding useful invention, the 'rights and welfare of the community must be fairly dealt with and effectually guarded.' Kendall v. Windsor, 21 How 322, 329, 16 L. ed. 165, 168 (1859). *To that end the prerequisites to obtaining a patent are strictly observed, and when the patent has issued the limitations on its exercise are equally strictly enforced.*" (emphasis added)

Point 3—Section 185 Does Not Provide for Validation of Patents by Retroactive License

By its plain language, Section 185 declares any issued United States patent to be invalid, if an application for the invention had been filed in a foreign country prior to six months after the application had been filed in the United States and no license had been granted prior to and authorizing the foreign filings. As admitted by respondent, the patent in suit was invalid when issued because no license authorizing the foreign filings had been procured until *after* the issuance of the patent.

Respondent contended and the Court of Appeals below held that a license procured after the foreign filing would save its patent, because Section 185 refers to Section 184, and the latter provides that a license may be granted retroactively if the foreign filing was inadvertent.

The Court of Appeals below is in error. Section 185 explicitly provides that *"Notwithstanding any other provisions of law"* the license must be procured before the foreign filing.[19] Note particularly the language, "—a person—shall not receive a United States patent—if that person—*shall, without procuring the license,*—have made [the foreign filing]—." Note also the closing sentence of Section 185, "A United States patent issued to such person—*shall be invalid.*"

The foregoing recitals clearly preclude a "retroactive" license procured after the United States patent is issued from being effective under Section 185 to validate that patent. This is because Section 185 plainly provides that if a license has not been procured a party, "—*shall not receive* a United States patent—", and any such, "—*shall be invalid.*"

The Commissioner of Patents in *In re Rinker & Duva,* 145 USPQ 156 (Dec. 30, 1964) himself expressed the view that Section 185 does not involve retroactive licenses:

> "Section 185 is not concerned with retroactive licenses—."

Point 4—If the Congress Had Intended That Invalid Patents Could Be Validated, It Would Have Protected Those Persons Already Dealing with the Accused Products

If the Congress had intended that an invalid patent could suddenly spring to life, i.e., become enlarged in scope, it certainly would have provided protective measures for those members of the public already engaged in manufacturing products that the "patentee"

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[19] Throughout this petition all emphasis in quotations is added unless otherwise indicated.

would accuse. For example, the statutes providing for enlarged reissue patents protect those already in business, see Title 35 United States Code, Section 252, second paragraph:

> "No reissued patent shall abridge or affect the right of any person or his successors in business who made, purchased or used prior to the grant of a reissue anything patented by the reissued patent, to continue the use of, or to sell to others to be used or sold, the specific thing so made, purchased or used, unless the making, using or selling of such thing infringes a valid claim of the reissued patent which was in the original patent. The court before which such matter is in question may provide for the continued manufacture, use or sale of the thing made, purchased or used as specified, or for the manufacture, use or sale of which substantial preparation was made before the grant of the reissue, and it may also provide for the continued practice of any process patented by the reissue, practiced, or for the practice of which substantial preparation was made, prior to the grant of the reissue, to the extent and under such terms as the court deems equitable for the protection of investments made or business commenced before the grant of the reissue."

The absence of such protective measures in the statutes under consideration indicates that Congress did not intend to create a situation where the rights of the public would need to be protected against invalid patents which were made valid after they had issued.

Point 5—The Congress Has Never Given the Patent Office Jurisdiction to Alter Patents Except Where Such Jurisdiction Is Explicitly Recited

As the District Court below noted (Appendix page 10A, 11A), the Congress has never conferred jurisdiction upon the Patent Office to alter patents *after* they are issued, except in cases where the Congress has explicitly referred to *patents* and has *clearly* expressed its intention that jurisdiction over issued patents was being taken from the Courts and given to the Patent Office. In the "reissue" statute, Title 35 United States Code, Section 251, the language is:

> "Whenever any *patent* is, through error—invalid—."

Similarly in Title 35 United States Code, Section 252 which deals with the effect of a reissued patent, the statute reads at the outset:

> "The surrender of the original *patent* shall take effect—."

Again, the Disclaimer statute, Title 35 United States Code, Section 253 provides:

> "Whenever, without any deceptive intention, a claim of a *patent* is invalid—."

Still further, in each of the "Certificate of Correction" patent statutes, the word "patent" appears. Thus, Title 35 United States Code, Section 254 provides:

> "Whenever a mistake in a *patent*—."

And Title 35 United States Code, Section 255 provides:

> "Whenever a mistake—appears in a *patent*—."

In the "Misjoinder of Inventor" provisions of Title 35 United States Code, Section 256, the statutes provides:

> "Whenever a *patent* is issued on the application of persons as joint inventors—."

The history of patent legislation thus consistently shows that when the Congress has intended to authorize the Commissioner of Patents to alter *patents,* it has used the word "patent" and has left no doubt about the matter. Oviously, if the Congress had meant that the Commissioner of Patents could affect or alter the condition of an already granted patent invalid under Section 185, it would have explicitly used the word "patent" in connection with the ability of the Commissioner of Patents to grant a license retroactively.

Point 6—The Commissioner of Patents Has Declined To Rule on the Questions Presented

The practice of the Commissioner of Patents in granting retroactive licenses where issued patents are involved has been misconstrued by the Court of Appeals below and other District Courts. The Commissioner has *not* ruled that issued patents are saved. Instead, his position is that he does not know the effect of retroactive licenses on issued patents, and he has left it to the Courts to decide, see *In re Rinker & Duva,* 145 USPQ 156, where he stated:

> "Whether or not the granting of such a license could serve to validate a patent which had been issued before the license was granted is, of course, *a matter for determination by the courts."*

It should be noted in passing that there are other reasons for granting retroactive licenses, e.g., the effect thereof in respect of persons otherwise subject to felony conviction under Section 186 of Title 35.

Point 7—The Decision Below Demonstrates Misunderstanding of the Authorities

Petitioner believes the primary purpose of this petition is to explain to this Court why the writ should be granted, and an exhaustive analysis of the merits of the case more properly awaits the briefs subsequent to the hoped-for grant of this petition. However, some further comment on the merits herein may be helpful to show that it is the decision of the District Court below which is correct, rather than that of the Court of Appeals, wherefore this Court should grant this petition and review the case because of the serious involvement of the public interest in the premises.

The District Court carefully reviewed the history of the statutes and found that the mandatory language of Section 185 was clear and its meaning unmistakable, fulfilling the aim of Congress as expressed in the connected Committee Reports to permit the Government, not the individual, to determine whether the national interest might be impaired by the filing in a foreign country of an application for patent. Having reviewed the legislative history, the District Court concluded that the Congress did not intend the Patent Office to grant a retroactive license to cure patents which were invalid upon issuance because of violations of Section 184. The District Court went on to say that whatever doubt there may be on the issue is resolved by the resounding language of Section 185, the sanctioning provision, emphasizing that Section 185 provides that notwithstanding any other provisions of law a person shall not receive a United States patent if he has not procured the license prescribed in Section 184, and any patent so issued shall be invalid.

When compared to the District Court's decision, the decision of the Court of Appeals is not convincing.

Whereas the District Court carefully considered the legislative history and obviously understood it, the Court below simply noted the differing contentions between appellant and appellee and said that "We do not consider resolution of this contest necessary here—."[20]

The Court of Appeals below refused to recognize the significance of the Boykin Act being omitted from the present statutes now under consideration.[21] However, the District Court below realized that the Boykin Act provision had been purposely omitted from the new act.

The Court below is flatly in error in its opinion in stating that, "The Commissioner of Patents has, by granting retroactive licenses after a patent has issued, expressed an administrative interpretation contrary to the decision we review.[22] In point of fact, the Commissioner of Patents in *In Re Rinker & Duva,* 145 USPQ 156 (1964) expressly stated that while he was issuing licenses, he was not deciding the *effect* thereof on already granted patents but was leaving that to the Courts (see quote, p. 18).

The District Court also found Congressional intent to limit the granting of a retroactive license that would satisfy Section 184 to be in the period prior to the issuance of the patent, by emphasizing that had Congress intended otherwise the second use of the word "application" in the last sentence of the first paragraph of Section 184 would have been followed by the

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[20] See page 7A, appendix hereto.

[21] See page 7A, appendix hereto.

[22] At page 8A, appendix hereto.

words "or patent".[23] This was a highly logical and pertinent observation of the District Judge in arriving at the correct interpretation of Sections 184 and 185. However the Court below in its decision indicated its inability to understand this point:

> "We are not sure we can understand this contention.[24]

In its opinion the Court below cites the decisions of various other District Courts upon the subject at hand.[25] The decisions of the other District Courts lack any serious contemplation of the *adverse effect upon the public interest* under a ruling such as by the Court of Appeals below. At best, some of the Courts mention security, but none grasp the potential situations that could develop if the foreign filing practice became what the Court of Appeals below would now permit. None of the other District Courts discuss the *evil of permitting invalid patents to pose as valid ones.*[26]

In summary as to the other cases, while there are many, they do not represent the careful thought given to the issue by the District Court below, and the entire subject needs the review of this Court.

The District Court, relying on *Beckman Instruments, Inc. et al.* v. *Coleman Instruments, Inc.*, 338 F. 2d 573, C.A. 7, 1964, held the Hoover patent in suit to be invalid from the date of its issuance, under 35 United

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[23] At page 16A, appendix hereto.

[24] At page 7A, appendix hereto.

[25] At page 8A, appendix hereto.

[26] One case includes a fleeting mention of public uncertainty as to validity or invalidity, but no elaboration upon the point, see *Blake* v. *Bassick Co.*, 146 USPQ 157, 160 (N.D. Ill. 1963).

States Code 185. The Court of Appeals has nullified the protection which is afforded to the public by the Beckman case, and has virtually read Section 185 out of the statute, in ruling that the petitioner cannot raise this defense of invalidity in respect to its manufacture of the accused products, even for the period after issuance of the patent and before the obtaining of the retroactive license. The Court of Appeals ruled against petitioner without more discussion than as follows (Appendix 8A):

> "Norton suggests that a retroactive curing of the defect here involved would leave unanswered the question whether there could have been any actionable infringement between the issuance of the patent and the grant of the retroactive license. *Lest this point be further litigated upon remand,* we hold that the defect of premature filing *has been cured* as of the date provided in the retroactive license, viz., January 8, 1959."

Under the *Beckman* case, the defendant, like any other member of the public, had the right to manufacture the accused product without liability for infringement of the Hoover patent, because that patent was invalid from the date of its issuance under 35 United States Code 185. The *Beckman* Court (C.A. 7) said:

> "* * * It is our conclusion and we so hold that the patent was issued on contravention of the statute and is, therefore, invalid (page 577 of 338 Fed. 2d)."

The petitioner, like any other member of the public, should not be required to submit to an invalid patent. And the right to defend against such a patent because of its invalidity from the time of its issuance, should not be taken away from the public.

The decision of the Court of Appeals below is so extreme in permitting recovery during the period of invalidity that even after the conclusion of a litigation (e.g., *Beckman, supra*) the "patentee" of the invalid patent could by a retroactive license again litigate against the same defendant. Surely the Congress never intended such a grotesque result to obtain.

VIII. CONCLUSION

It is submitted that this Court should settle the meaning and effect of Section 185 so that the National Security will be better insured and the public protected from the oppression of invalid patents posing as valid ones.

Respectfully submitted,

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APPENDIX

No. 16592

UNITED STATES COURT OF APPEALS
FOR THE SIXTH CIRCUIT

MINNESOTA MINING AND MANUFACTURING COMPANY,
Plaintiff-Appellant,

v.

NORTON COMPANY,
STUDEBAKER-PACKARD CORPORATION,

and

HADCO CORPORATION,
Defendants-Appellees.

APPEAL from the U. S. District Court
for the Northern District of Ohio.

Decided September 13, 1966.

Before WEICK, Chief Judge, O'SULLIVAN and CELEBREZZE, Circuit Judges.

O'SULLIVAN, Circuit Judge. This is an appeal by Minnesota Mining and Manufacturing Company (referred to herein as Minnesota) from a summary judgment which dismissed its suit against appellees, Norton Company, Studebaker-Packard Corporation and Hadco Corporation (referred to herein collectively as Norton) for infringement of a Minnesota patent. The dismissal was bottomed

upon the District Judge's conclusion that Minnesota's act of filing several applications for foreign patents on the invention in suit without obtaining a license to do so from the Commissioner of Patents rendered the patent subsequently obtained in this country invalid. This was held to violate the provisions of 35 U.S.C.A. §§ 184 and 185.[1] The District Judge held that a retroactive license for such foreign filing, obtained pursuant to the provisions of section 184, during the pendency of the litigation, was ineffective to save the patent because it had not been obtained prior to the issuance of the United States patent in suit. *Minnesota Mining and Manufacturing Co.* v. *Norton Company*, 240 F. Supp. 150 (N.D. Ohio, E.D. 1965).

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[1] "§ 184. *Filing of application in foreign country.* Except when authorized by a license obtained from the Commissioner a person shall not file or cause or authorize to be filed in any foreign country prior to six months after filing in the United States an application for patent or for the registration of a utility model, industrial design, or model in respect of an invention made in this country. A license shall not be granted with respect to an invention subject to an order issued by the Commissioner pursuant to section 181 of this title without the concurrence of the head of the departments and the chief officers of the agencies who caused the order to be issued. The license may be granted retroactively where an application has been inadvertently filed abroad and the application does not disclose an invention within the scope of section 181 of this title.

The term 'application' when used in this chapter includes applications and any modifications, amendments, or supplements thereto, or divisions thereof."

"§ 185. *Patent barred for filing without license.* Notwithstanding any other provisions of law any person, and his successors, assigns, or legal representatives, shall not receive a United States patent for an invention if that person, or his successors, assigns, or legal representatives shall, without procuring the license prescribed in section 184, of this title, have made, or consented to or assisted another's making, application in a foreign country for a patent or for the registration of a utility model, industrial design, or model in respect of the invention. A United States patent issued to such person, his successors, assigns, or legal representatives shall be invalid."

Section 184 forbids application for a foreign patent on an invention made in this country prior to six months after application for the United States patent "except when authorized by a license obtained from the Commissioner [of Patents]." This section is part of the *Invention Secrecy Act* of 1951, 35 U.S.C.A. §§ 181-188, enacted by Congress to prevent the publication and disclosure in a foreign country of an invention upon which a patent is sought in this country where such disclosure would "be detrimental to the national security." 35 U.S.C.A. § 181. The six month period before foreign application can be made and the requirement of a license for a foreign filing within such period are designed to provide opportunity for the Commissioner of Patents, if he thinks the disclosure might "be detrimental to the national security," to submit the application to the Atomic Energy Commission, the Secretary of Defense and other agencies concerned with national defense, in order that they may inspect the invention and determine whether its foreign disclosure might indeed "be detrimental to the national security." If such a determination is made, the mentioned section provides that the Commissioner "shall order the invention be kept secret and shall withhold the grant of a patent for such period as the national interest requires * * *."

Section 185 provides that any person who makes application for a foreign patent "without procuring the license prescribed in Section 184" shall not receive a United States patent for the involved invention and a "United States patent issued to such person * * * shall be invalid." Section 184, however, provides that "the license may be grantd retroactively when an application has been *inadvertently filed abroad* and the application does not disclose an invention *within the scope of* Section 181 of this title." (Emphasis added.) Minnesota did obtain a license for foreign filing made retroactive to the dates upon which the foreign filings were made. The question for our decision is whether such retroactive license was ineffective

because it was obtained after the issuance of the United States patent. The District Judge answered in the affirmative. We reverse.

The invention of the patent in suit may be shortly described as a scouring pad containing properties and design that allegedly provide revolutionary improvement over prior techniques of polishing, scrubbing and buffing. Its most common usages are in floor maintenance, household and kitchen care, and in metal finishing and polishing. Infringement by defendant-appellees of the patent granted on such invention was the claim of Minnesota's dismissed complaint.

Steps to obtain the patent before us, Hoover, et al., U.S. No. 2,958,593, began with a first application on February 21, 1957, which disclosed the first eight claims of the patent, which are the claims in suit. More than six months later and without any intervening application for a foreign patent, a second application, a "continuation in part" of the original, was filed on October 8, 1958. This added disclosure of a further embodiment of the basic invention—Claims 12 and 13. On January 8, 1959, within six months of the filing of this second application, Minnesota's patent counsel applied for a license to file patent applications "in all countries" and on February 5, 1959, such license was granted. This license was not retroactive as there appeared to be no need therefor. A third application was filed in the U. S. Patent Office on January 11, 1960, as a continuation in part of the first two, setting out Claims 9, 10 and 11. No application for foreign filing under the final application was made and the patent in suit was issued on November 1, 1960, on this last application.

The complaint here was filed on August 28, 1961, and after many intervening procedural steps, Norton, on December 23, 1964, moved for summary judgment and to amend its answer on the newly discovered fact that within the several dates, January 19, 1959, to January 24, 1959,

Minnesota's Chicago patent counsel had forwarded to five countries applications for foreign patents on the involved invention. These dates followed the January 8, 1959, application for license to make such filings but were prior to the February 5, 1959, issuance of the license by the Commissioner. The premature foreign filings came to light when Minnesota, on December 15, 1964, was obtaining information to make response to interrogatories. Minnesota's counsel forthwith, on December 22, 1964, applied to the Commissioner of Patents for a retroactive license to cover the inadvertent foreign filings made between January 8, 1959, when request for a license was made and February 5, 1959, when a non-retroactive license was issued. The Commissioner of Patents granted the needed retroactive license on January 8, 1965; such license reciting that it was "retroactive to January 8, 1959," a date preceding the inadvertent foreign filings of January 19-24, 1959. The granting of the license constituted the Commissioner's finding that the premature foreign filings were inadvertent and that disclosure of the involved invention was not detrimental to the national security. These questions have been legislatively delegated to the Commissioner and his findings are not here challenged.

When the case was called for trial on January 4, 1965, with appellee Norton's motion for summary judgment on its amended answer undisposed of, appellant Minnesota informed the Court of its pending application for a retroactive license. Being of the view that such a license would not avail to sustain Minnesota's patent, the Court delivered an opinion from the bench holding the patent invalid. He did, however, entertain Minnesota's motion for reconsideration after it received its license on January 8, and on March 10, 1965, reaffirmed his original view in a formal opinion upon which the judgment on appeal was entered.

The District Judge based his ruling on a view that the retroactive license would be effective to cure the defect

created by the untimely foreign filing only up to the point when the United States patent actually issued. After noting that Section 185 states: "notwithstanding any other provision of law * * *. A United States patent issued to such person [one who has impermissibly filed abroad] * * * shall be invalid" he concluded, "The plain fact is that the patent did issue without a license and must be deemed invalid *ab initio*. *Without specific authorization from Congress*, the Commissioner is powerless to affect the validity or invalidity of a patent after it has egressed from administrative channels. Consequently, the purported retroactive license issued on January 8, 1965, is inoperative * * *." (Emphasis supplied)

However, Section 184 itself is such "specific authorization from Congress." By its Act, Congress provided:

> "The license may be granted retroactively where an application has been inadvertently filed abroad and the application does not disclose an invention within the scope of section 181 of this title."

This is clear language and we are unable to read into it the restriction relied on by appellee and imposed by the District Judge, viz: that the Commissioner's authority to grant the license ends once the patent has issued. The only restriction imposed on the Commissioner is that he must find inadvertence in the foreign filing and that disclosure of the invention would not be detrimental to the national security.

Appellee Norton argues that the beginning and concluding language of Section 185, to wit: "Notwithstanding any other provision of law * * *," and "a United States patent issued to such person [one who filed abroad without the license prescribed in Section 184] * * * *shall be invalid*," must mean that once a patent has issued without *antecedent* compliance with § 184, its validity is forever destroyed. But, to the contrary, the statute in clear language provides for *retroactive* compliance, and when

such *retroactive* compliance is supplied, the *retroactive* license must be taken as standing in its proper place in the sequence of: (1) U. S. application, (2) license, (3) foreign application, and (4) U. S. Patent.

The District Judge found Congressional intent to limit the granting of a retroactive license to the period prior to the issuance of the patent by emphasizing that had it intended otherwise, the second use of the word "application" in the relevant portion of § 184 would have been followed by "or patent". We are not sure we understand this contention, but whether the second "application" refers to the foreign or the domestic application, the license when granted retroactively by the Commissioner, assumes its required position ahead of the foreign filing in the order of procedure.

Both parties have, in addressing this Court, discussed the legislative history of §§ 184 and 185 of the *Invention Secrecy Act* of 1951 to support their respective contentions. We consider that Congress spoke plainly in its statute. We look for Congressional intent in its clear language. *U. S.* v. *Oregon,* 366 U.S. 643, 648 (1961); *Hilliard* v. *U. S.,* 310 F(2) 631, 632 (CA 6, 1962); *U. S.* v. *Redmond,* 328 F(2) 707, 710-11 (CA 6, 1964).

Much reference has been made to the so-called Boykin Act, (Act of August 8, 1946, 60 Stat. 940) which in its Section 6 clearly provided that an unauthorized foreign filing would not render an issued patent invalid, if subsequent authorization was obtained from the Commissioner. The District Judge and appellee concede that were the Boykin Act now in force, the Commissioner's retroactive license would sustain the patent in suit. Appellant, Minnesota, contends that the rule of the Boykin Act is contained in §§ 184, 185 of the 1951 Act. Appellee Norton argues that Boykin and its rule were purposefully repealed without incorporation into the Act before us. We do not consider resolution of this contest necessary here, satisfied that

both the Boykin Act and the 1951 Act disclose Congressional willingness that the Commissioner do what he did here, even after the issuance of a patent.

The Commissioner of Patents has, by granting retroactive licenses after a patent has issued, expressed an administrative interpretation contrary to the decision we review. Such contrary interpretation has also been the holding of whatever courts have had occasion to rule on the question. *Union Carbide Corp.* v. *Microton,* 149 U.S.P.Q. 827 (W.D. N.C. 1966); *Barr Rubber Products Co.* v. *The Sun Rubber Co.,* 149 U.S.P.Q. 204 (S.D. N.Y. 1966); *Pillsbury Co.* v. *General Mills, Inc.,* 148 U.S.P.Q. 487 (D.C. Minn. 1966); *Blake* v. *Bassick Co.,* 245 F. Supp. 635, 146 U.S.P.Q. 160 (N.D. Ill., 1965); *Pillsbury Co.* v. *Brenner,* 146 U.S.P.Q. 99 (D.C. D.C., 1965); *McCormick* v. *Brenner,* 146 U.S.P.Q. 340 (D.C. D.C., 1965); *Davidson Rubber Co., Inc.* v. *Sheller Mfg. Co.,* 147 U.S.P.Q. 511 (S.D. Iowa, 1965); *Engelhard Industries, Inc.* v. *Sel-Rex Corp.,* 145 U.S.P.Q. 319 (D.C. N.J. 1965); *Nordberg Manufacturing Co.* v. *Jackson Vibrators, Inc.,* Civil No. 63C2250 N.D. Ill. Feb. 10, 1966 (letter opinion); *McCulloch Motors Corp.* v. *Oregon Chain Saw Corp.,* 245 F. Supp. 851 (S.D. Cal. 1963); *Blake* v. *Bassick Co.,* 146 U.S.P.Q. 157 (N.D. Ill., 1963); *In re Rinker and Duva,* 145 U.S.P.Q. 156 (Comm'r of Patents, 1964). See also Mich. L. Rev. 496 (1966); 34 Geo. Wash. L. Rev. 373 (1965).

The case relied upon most heavily by appellees, *Beckman Instruments, Inc.* v. *Coleman Instruments, Inc.,* 338 F(2) 573 (C.A. 7, 1964) is not material since it did not deal with the question of the effect of a retroactive license. That case stands only for the proposition that if neither the ordinary nor the retroactive license provided for in Section 184 has been procured, untimely foreign filing is an effective defense in an infringement suit.

Norton suggests that a retroactive curing of the defect here involved would leave unanswered the question whether

there could have been any actionable infringement between the issuance of the patent and the grant of the retroactive license. Lest this point be further litigated upon remand, we hold that the defect of premature filing has been cured as of the date provided in the retroactive license, viz: January 8, 1959.

The judgment is reversed and the cause is remanded for further proceedings consistent herewith.

Opinion

U. S. DISTRICT COURT FOR NORTHERN DISTRICT OF OHIO, EASTERN DIVISION

Filed March 10, 1965

CONNELL, *C. J.*:

The history of this patent begins on February 21, 1957, when the plaintiff filed in the United States Patent Office an application which became Serial No. 641714. On October 8, 1958, the plaintiff filed an application for patent in the names of its employees Howard L. Hoover, Eugene J. Dupre and Walter J. Rankin, Application No. 777,167, which application contained matter related to a certain extent to the subject matter of the earlier application, but which contained certain substantial additional subject matter. In the month of January 1959, less than six months after the filing of Application 777,167, the plaintiff caused to be filed Applications for Patent in five foreign countries which applications involved substantially the same subject matter. Application was made in Sweden on January 19, 1959, in Australia on January 20, 1959, in Argentina and Italy on January 22, 1959, and in Japan on January 24, 1959. On January 12th of 1959 the United States Patent Office received from a Chicago law firm (Langner, Parry, Carr & Langner) a request for a license for the filing of foreign applications based on U. S. Application 777,167. Thus, from the stipulated facts before us, (2) it is appar-

ent that the plaintiff did not await the arrival of the license before filing in these five foreign countries. On February 9, 1959, the Patent Office issued a license dated February 5, 1959, which stated that the license was not retroactive.

On January 4, 1965 this Court conducted an oral hearing on the defendants' motion for summary judgment. At that time the defendants pointed out that the plaintiff had violated the provisions of Title 35, §§ 184 and 185 because they had failed to obtain a license from the Patent Office to file applications in foreign countries. On the authority of *Beckman Instruments, Inc.* v. *Coleman Instruments, Inc.*, 338 F. 2d 573 (1964), we concluded that the six month waiting period described in § 184 begins to run from the date of filing of a "Continuation-in-Part" application; that the plaintiff, by filing in five foreign countries in January of 1959 without a license to do so, had thus violated the statute, and under the explicit language of § 185 the patent was necessarily invalid.

Subsequent to the Court's decision, present counsel for Minnesota Mining Company was successful in securing a retroactive license from the Patent Office, which purports to issue a license retroactive to January 8, 1959 with respect to Argentina, Australia, Italy, Japan and Sweden. Had this license been secured prior to the issuance of the patent, there is no doubt that it would have cured the infirmity created by the precocious filing in these foreign countries. The problem with which we are here faced is the present effect of a retroactive license upon a patent which has already issued from the Patent Office. Our question ultimately is one of jurisdiction, i.e., whether the Patent Office has the power to breathe life into an otherwise meaningless piece of paper.

Cases are filled with statements that "The only authority competent to set a patent aside, or to annul it, or to correct it for any reason whatever, is vested in the

courts of the United States and not in the (3) department which issued the patent." *McCormick Harvesting Machine Co.* v. *Aultman*, 169 U.S. 606, 609 (1898). However, under Article I, § 8 of the Constitution,[1] the power to confer jurisdiction ultimately resides in Congress. Congress outlines the function of the Patent Office and divides responsibilities between the administrative and judicial bodies. In arranging the division of duties, Congress has accorded the Patent Office some limited areas of jurisdiction where it can control or affect patents after their issuance. But, except for those specifically defined instances where a commissioner may reach out to assert his authority over an already issued patent, we think that he is precluded from doing so. As stated in McCrady, *Patent Office Practices*, 422, 4th Ed. 1959: "Issuance of a patent puts it *beyond the control of the Office* except for interference (§ 249 hereof), reissue (Chap. XXIV), Office reissue (§ 303), statutory disclaimer (§ 298-301), certification of correction (§ 302)."

Plaintiff has directed our attention to six cases[2] in which courts have in effect recognized the propriety of congressional acts which vest in the commissioner discretionary power over a patent even after it has issued from the Patent Office. With this we have no quarrel. These cases have three recurring characteristics: (1) the discretionary authority of the Patent Office is explicitly created by statute; (2) these courts by expressing a reluctance to in-

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[1] "Congress shall have power * * * to promote the progress of science and useful arts by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries."

[2] *Seymoure* v. *Osborne*, 78 U. S. 516 (1870); *Cregier* v. *Coe*, 67 F. 2d 692 (D. C. Cir. 1933); *Martin* v. *Robertson*, 39 F. 2d 520 (D. C. Cir. 1930); *Terry* v. *Webster*, 12 F. 2d 139 (D. C. Cir. 1926); *Wayne Mfg. Co.* v. *Coffield Motor Washer Co.*, 227 F. 987 (8th Cir. 1915).

trude upon the Patent Office's jurisdiction, recognize the clear lines of jurisdiction drawn by Congress; and (3) these courts confined the authority of the Patent Office to the express limits found in the statute. (*Cf.* especially *Terry* v. *Webster*, 12 F. 2d 139, 140 (D. C. Cir. 1926), where the court was quick to quash (4) an attempt by the Commissioner to enlarge the ambit of his authority.)

But this statute (§ 184) does not specifically provide for a grant of a retroactive license which can cure a patent which, by the mandatory language of the next section (§ 185), must be deemed invalid from its issuance. It is one thing for Congress to prescribe a method for forgiving an inadvertence within the range of the administrative process; it is quite another to endow the Patent Office with the power to invade the traditional area of the judiciary. For that is precisely what the plaintiff contends here, namely, that the Patent Office may declare an invalid patent to be a valid one by issuing a retroactive license to avoid the sanctions of § 185. The plaintiff contends that the power to issue an effective retroactive license after the patent has issued must necessarily be inferred from the language and history of the statutes in question.

Since it appears that this is a case of first impression, it will be useful to explore the legislative history of these sections and their predecessors. In the light of that history we shall appraise the import of *In re Lee & Heineman*, 77 USPQ 659 (1948), a case in which, on operative facts nearly identical to those now before us, the issue which we must face was resolved in favor of the patent holders.

The necessity of temporarily withholding domestic inventions from foreign exposure first became apparent during World War I when the Act of October 6, 1917, ch. 95, 40 Stat. 394 was passed. This statute contained the proviso that a United States inventor could file a patent application abroad only with the "consent or approval of the Commissioner of Patents, or under a license of the

Secretary of Commerce, as provided by law." With the advent of World War II came similar statutes (Act of July 1, 1940, ch. 501, 54 Stat. 710, amended by the Act of August 21, 1941, ch. 393, 55 Stat. 657, and further amended by the Act of June 16, 1942, ch. 415, 56 Stat. 370), which provided that:

> (5) "No person shall file * * * in any foreign country an application for patent * * * in respect of any invention made in the United States, except when authorized in each case by a license obtained from the Commissioner of Patents * * *. [A]ny person * * * shall be debarred from receiving a United States patent for an invention if such person * * * without procuring the authorization prescribed * * * made or consented to or assisted another's making application in a foreign country for a patent * * * where authorization for such application is required by the provisions of § 3, and any such United States patent actually issued to any such person, successors, assigns, or legal representatives so debarred or becoming debarred shall be invalid."

Under this statute there was no provision for a retroactive license; an unlicensed foreign filing either prevented issuance or, if the patent had issued, invalidated it. When this statute expired, the so-called Boykin Act (Act of August 8, 1946, P. L. 690, 79th Cong. 2d Sess. ch. 910, 60 Stat. 940) was passed. This legislation, a temporary post-war bill, provided for similar restrictions in regard to foreign filing and similar penalties for disregard of those restrictions. The act did provide, however, (§ 6):

> "Notwithstanding the provisions of the Act of Congress approved July 1, 1940 (54 Stat. 710; U.S.C., title 35, sec. 42), as amended by the Act approved August 21, 1941 (55 Stat. 657; U.S.C., title 35, secs. 42a-42f), and as further amended by the Act of June

16, 1942 (56 Stat. 370) no person shall be debarred from receiving a patent for an invention made in the United States, nor shall any patent issued for such invention be deemed or held invalid under said Act, merely because authorization to file an application for patent for such invention in any country foreign to the United States was not first obtained from the Commissioner of Patents: *Provided*, That the Commissioner subsequently authorized the filing of the application in such foreign country." (60 Stat. 943.)

The House Committee on Patents explains the reason for this hitherto unknown procedure, and other innovations in the bill, in H. R. 1498, Jan. 28, 1946. Prefatory remarks therein explain the general purpose of the bill:

"Certain objects of the bill are to relieve inventors of some of the hardships occasioned by the war in connection with the filing and the prosecution of applications for patent. Under any patent law it is necessary that times be fixed within (6) which certain acts must be done, such as filing the application, the taking of various steps in its prosecution, the payment of fees, etc. Failure to act within the times so specified usually results in loss or forfeiture of the right to a patent. These time limitations are quite fair and just, since their general object is promptness in the issue of patents. However, such provisions frequently result in hardship during time of war, because fulfillment of the requirements is often difficult. Delays caused by the war were particularly evident in dealings with other countries, due to the uncertainty of communication, and the fact that in many instances communication was forbidden or controlled."

In reference to the particular section of concern here, the Committee stated that:

"Patents have been granted on applications corresponding to foreign applications which were inadevert-

> ently filed by the applicants without first obtaining a license from the Commissioner of Patents as required by the act of July 1, 1940 (54 Stat. 710; U.S.C., title 35, sec. 42), as amended. In such cases where the foreign application was filed in countries allied with the United States during the war, the Commissioner subsequently issued a license. Section 6 of the bill would validate the patents in these cases where such licenses were granted."

In this context, then, this extension of the Patent Office's jurisdiction, while unusual, was nevertheless a product of exigency necessary to facilitate postwar recovery without working unjust results on inventors hampered by wartime communication problems.

It was under the authority of this statute that the Commissioner decided *In re Lee & Heineman, supra.* In that case the patentees had inadvertently, and without the required license, filed for and received a patent in Canada on an invention which corresponded to United States Patent 271,245 [*sic;* the correct number is 2,371,245]. Some three years after the issuance of the domestic patent, the patentees petitioned for and received a retroactive license under Section 6, which cured their negligent violation of Section 3. But even there the Commissioner recognized "that the authority of the Commissioner to grant licenses will expire with the expiration of Section 3 of the Act of August 21, 1941, at the end of the war." (at p. 660). These sections were omitted in the revision contained in the Act of (7) July 19, 1952, ch. 950, 66 Stat. 4, and thus repealed. The omission of the extraordinary power which Section 6 granted to the Commissioner—to cure a defective patent after it had run its administrative course—is highly significant. That statute no longer exists because the situation at which it was aimed no longer exists.

We come finally to a confrontation with the present section, 35 U.S.C.A. § 184, which has been in effect since

that revision in 1952. The plaintiff argues that it contains a savings clause which empowers the Patent Office to save its invalid patent.

> "Except when authorized by a license obtained from the Commissioner a person shall not file or cause or authorize to be filed in any foreign country prior to six months after the filing in the United States an application for patent or for the registration of a utility model, industrial design, or model in respect of an invention made in this country. A license shall not be granted with respect to an invention subject to an order issued by the Commissioner pursuant to section 181 of this title without the concurrence of the head of the departments and the chief officers of the agencies who caused the order to be issued. *The license may be granted retroactively where an application has been inadvertently filed abroad and the application*[4] *does not disclose an invention within the scope of section 181 of this title.*" (Emphasis added.)
>
> "The term 'application' when used in this chapter includes applications and any modifications, amendments, or supplements thereto, or divisions thereof. July 19, 1952, c. 950, § 1, 66 Stat. 807."

As we stated previously, on January 4, 1965, the mandatory language of this section is clear and its meaning is unmistakable. It fulfills the aim of Congress as expressed

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[4] We note that the very clause upon which the plaintiff relies here permits a retroactive license to issue only when the *application* discloses no harmful information; if Congress had intended to extend the Patent Office jurisdiction beyond its normal administrative reaches, it would have included the phrase "or patent" after "application." This would have opened the way for the action attempted hereby the plaintiff. Without the inclusion of such language, however, we detect nothing here which permits the Patent Office to assert itself over an application which has already ripened into a purported patent.

in the Committee Reports to permit the Government, not the individual, to determine whether the national interest might be impaired by the filing in a foreign country of an application for patent over a domestic invention and, as the Committee states, the bill changes "the temporary act of Congress now in force (8) into permanent law, *with several changes recognized as desirable as a result of experience under the temporary law and problems anticipated under a permanent law.*" 82nd Cong. 1st Sess. H. R. 828, Sept. 24, 1951, p. 4) (Emphasis added). We must conclude that one of the changes is divestiture from the Patent Office of the power to grant a retroactive license to secure patents which were invalid upon issuance because of violations of Section 184.

Whatever doubt there may be on this issue is resolved by the resounding language of Section 185, the sanctioning provision in this chapter:

> "*Notwithstanding any other provisions of law* any person, and his successors, assigns, or legal representatives, *shall not receive* a United States patent for an invention if that person, or his successors, assigns, or legal representatives shall, without procuring the license prescribed in section 184 of this title, have made, or consented to or assisted another's making, application in a foreign country for a patent or for the registration of a utility model, industrial design, or model in respect of the invention. A United States patent issued to such person, his successors, assigns, or legal representatives *shall be invalid.* July 19, 1952, c. 950, § 1, 66 Stat. 807." (Emphasis added.)

The plain fact here is that the patent did issue without a license and must be deemed invalid *ab initio*. Without specific authorization from Congress, the Commissioner is powerless to affect the validity or invalidity of a patent after it has egressed from administrative channels. Conse-

quently, the purported retroactive license issued on January 8, 1965 is inoperative, and the plaintiff's Motion for Reconsideration of the Court's Order of January 4, 1965 must be overruled. It is so ordered.

Decision, January 4, 1965 of the United States District Court for Northern District Ohio, Eastern Division

(49) The Court: We are here immediately to decide on the question of the Defendants' motion for summary judgment.

There is no question but that patent law is a great speciality; so much so that it seems to those who practice general law that patent lawyers have even a language of their own. And they know their business best, and they know all of the statutes with great familiarity with which we are here concerned.

We have here a chapter 35, paragraph 181, on the secrecy of inventions. It may be as Mr. Koykka has said, that the statutes came into existence by reason of the necessity for protecting the national safety. But the statutes with which we are here involved do not specifically mention the proposition that only parents pertaining to national safety come within the purview of the statute.

Section 181 begins with the proposition that whenever publication or disclosure by the grant of a patent on an invention in which the Government has a property interest might, in the (50) opinion of the head of the interested Government agency, be detrimental to the national security, the Commissioner upon being so notified shall order that the invention be kept secret and shall withhold the grant of a patent therefor under the conditions set forth hereinafter.

It has a chapter pertaining to the situation where the Government does not have a property interest. And it goes into details as to how the secrecy shall be preserved, and then says in its last paragraph:

"An invention shall not be ordered kept secret and the grant of a patent withheld for a period of more than one year." That is Section 181.

Section 182 has to do with the abandonment of an invention for an unauthorized disclosure. Section 183 has to do with rights of compensation if a person loses through the inability to have marketed his product sooner, that sort of thing. Then we come down to Sections 184 and 185 with which we are here concerned.

Now I have said patent lawyers have a great specialty. However, any lawyers, whether they specialize or not in patent law, can understand (51) the language and the meaning of these sections without any difficulty whatsoever. Section 184 reads as follows:

"Filing of application in foreign country. Except when authorized by a license obtained from the Commissioner a person shall not file or cause or authorize to be filed in any foreign country prior to six months after filing in the United States an application for patent or for the registration of a utility model, industrial design, or model in respect of an invention made in this country. A license shall not be granted with respect to an invention subject to an order issued by the Commissioner pursuant to Section 181"—which is the first section we read of this Title—"without the concurrence of the head of the departments and the chief officers of the agencies who caused the order to be issued. The license may be granted retroactively where an application has been inadvertently filed abroad and the application does not disclose an invention within the scope of Section 181 of this Title."

The last paragraph, of which much has been said here reads as follows:

(52) "The term 'application' when used in this Chapter includes applications and any modifications, amendments, or supplements thereto, or divisions thereof."

Section 185 is the section about which much has been said and reads as follows:

"Patent barred for filing without license. Notwithstanding any other provisions of law any person, and his successors, assigns, or legal representatives, shall not receive a United States patent for an invention if that person, or his successors, assigns, or legal representatives shall, without procuring the license prescribed in Section 184 of this Title, have made, or consented to or assisted another's making, application in a foreign country for a patent or for the registration of a utility model, industrial design, or model in respect of the invention. A United States patent issued to such person, his successors, assigns, or legal representatives shall be invalid."

So what the law says—it is patent law, but anyone who reads general law can understand it, and anyone who reads English can understand it—what it says in effect is that before you file in (53) a foreign country for a patent, meaning an application for a patent, you must comply with Section 184, or you lose your patent under Section 185.

Now, then, something has been said about the decision in the Seventh Circuit. It is here claimed by the defense that the case before us now is on all fours with the Seventh Circuit, and denied by the Plaintiff's side of the case. The Seventh Circuit was concerned with the same sections which I have just read. It was decided in the Court of Appeals of the Seventh Circuit, Beckman Instruments, Inc., et. al., vs. Coleman Instruments, Inc., decided November 9, 1964. So it was decided within two months. I will read the parts of it which I think concern us here, and because there is a controversy as to whether it has application.

"On March 19, 1951, Frediani filed United States patent application Serial No. 216,325 (first application), and on

November 22nd, 1952, filed United States patent applications Serial No. 322,064 (second application), which resulted in the issuance of a patent in suit on April 3rd, 1956. Subsequent to the second (54) application, the first application was rejected by the patent examiner as being inoperative. The second application recited that it was 'a continuation-in-part of' the first application. Frediani in his oath attached to his second application stated that there were currently being filed applications for patents in Great Britain and West Germany. The former was filed November 7, 1952, and the latter November 24, 1952. No license was obtained by Frediani from the Secretary of Commerce or the Commissioner of Patents with respect to either of said foreign patents applications."

I should say in passing that the case there involved a chemical process of some kind. The Court went on to say, referring to these laws—these particular sections which that court said had not been construed before—so this could be the second time:

"One. In summary, these provisions"—having to do with Sections 184 and 185—"expressly provide that an applicant for a patent who files an application in a foreign country must (1) delay such foreign filing for six months after the filing of his corresponding United States patent (55) application, or (2) obtain a license authorizing such foreign filing in less than the mandatory six months' waiting period. The statute provides that any United States patent issued in violation of these specific requirements shall be invalid."

And you note the language "any." "Any United States patent issued in violation of these specific requirements shall be invalid."

"The crucial question is whether the six months' waiting period for the filing of the foreign applications commenced to run at the time Frediani filed his first application, which

he abandoned, or his second application, upon which the patent in suit issued. Plaintiffs argue that it was the former; Defendant, that it was the latter." Which, gentlemen, is similar to the question we have here. "The District Court sustained Defendant's contention, which resulted as a matter of law in a judgment in its favor.

"Plaintiffs' main argument is that both applications were for the same invention and that the second, being a continuation-in-part, is entitled to the same filing date as the first. In the same vein it is argued that the foreign (56) applications were for the same invention as that described in the first application. The deposition of Frediani, and more particularly the oath made in support of his seceond application, which were made a part of Defendants' motion for summary judgment, refute Plaintiffs' contention.

"Frediani in his oath stated: '* * * that this application is a continuation-in-part of my prior application Serial No. 216,325, filed March 19, 1951, that as to subject matter disclosed in said prior application, I do not know and do not believe that this invention was ever known or used before my invention or discovery thereof, * * * that as to the subject matter disclosed, in this application, but not disclosed in said prior application, I do not believe that the invention was ever known or used before my invention or discovery thereof, * * * and that no application for patent on this invention or discovery has been filed by me or my representatives or assigns in any country foreign to the United States except as follows: Great Britain and West Germany (currently being filed). (Emphasis supplied).'

"Thus, in this quote he distinguishes his (57) second invention from the first with the statement that the latter contained subject matter not disclosed in the former. That the examiner recognized the distinction as material is shown from the fact that he refused a patent on the first

application but allowed it on the second. Furthermore, Frediani in his oath stated that the foreign applications were 'currently being filed' on 'this' invention, referring to that disclosed in his second application.

"The second paragraph of Section 184 (previously omitted) provides: 'the term 'application' when used in this chapter includes applications and any modifications, amendments, or supplements thereto, or divisions thereof.'

"By this paragraph the term 'application' as employed in the statute includes 'any modifications, amendments, or supplements thereto, or divisions thereof.' Even under Plaintiffs' theory, it is not open to doubt that the subject matter of the second application was a modification, amendment or supplement to the first. It follows that the foreign applications filed within six months after the filing of the second application, without obtaining a license, invalidated the (58) patent.

"2. This construction is consistent with the purpose of the statute, which is to provide for the temporary withholding of all patent disclosures to ascertain if foreign filing might be detrimental to the natonal security. The specified six months' waiting period affords the Secretary of Commerce and other Governmental departments an opportunity to examine the application for the presence of security material before the information is sent abroad. The statute would fail of its purpose if an applicant were permitted to file a first application disclosing some features of a secret invention; after a six-month period to file a continuation-in-part application disclosing additional essential features, and then without obtaining a license to disclose his invention abroad. It is logical to believe that the insertion of the second paragraph in Section 184 was intended to preclude such a result.

"3. Plaintiffs greatly stress the universal rule that the issuance of a patent carries with it the presumption of

validity. No purpose could be served in discussing cases cited by Plaintiffs (59) in that respect. It is enough to say that the presumption cannot save a patent issued in contravention of the terms of the statute.

"4. Section 184 is applicable 'only in respect of an invention made in this country.' Plaintiffs contend that there is no evidence and no finding by the Court that the Frediani applications were for inventions made in this country. While there is no direct evidence on this point, we think the fact may be reasonably inferred from the circumstances in proof. In any event, no such question was raised in the District Court in argument, pleadings or otherwise which in all probability is the reason that no finding was made on this issue. It is not necessary to cite cases for the well-established rule that this defense cannot be successfully maintained for the first time on appeal.

"In our judgment, the record reveals no genuine issue as to any material fact. In the main, the issue presents a question of law, that is, an interpretation of the statute and its application to the facts of the case. It is our conclusion and we so hold that the patent was issued in contravention of the statute and is, (60) therefore, invalid."

Now let's get down to our immediate facts. I first go to Defendants' motion for summary judgment in a recital of its claims as a basis for its motion here for summary judgment. In the first paragraph on Page 1 they say:

"The material facts as to which there is no genuine issue, as shown by public records, are now listed, reference being made to exhibits attached hereto which are true copies of the public documents involved.

"1. Plaintiff did on October 8, 1958, file in the U. S. Patent Office an application for patent in the names of its employees Howard L. Hoover, Eugene J. Dupre and Walter J. Rankin, which application was given Serial No. 777,167. A certified copy of the application and all proceedings

thereon (the Patent Office wrapper and contents) is attached hereto as Exhibit A.

"2. On January 20, 1959, less than six months after said filing of 777,167, Plaintiff caused to be filed in Australia a patent application based upon an essentially a copy of said 777,167, this being Australian Application No. 45,148/59, which later materialized into Australian (61) Patent 230,115."

We find here in evidence, also, that as of dates very close, applications were filed in four other countries. We mentioned Australia. We find that in Argentina under application 153,295 an application was filed on 1-22-59; that in Italy one was filed on 1-22-59; that in Japan one was filed on 1-24-59; and Sweden on 1-19-59. The one concerning which there is primary proof here, in Australia, having been filed on 1-20-59. So we have five filed in foreign countries within a five-day period, all within the six-month period described herein.

"3. Application 777,167 and the Australian application are substantially copies of one another, practically all of the text being verbatim copy.

"4. The U. S. Patent Office on January 12, 1959, received from a Chicago law firm, Langner, Parry, Card & Langner, a request for license (attached hereto as Exhibit G) for foreign filing of applications based on 777,167.

"5. On February 9, 1959, the Patent Office mailed to Langner, Parry, Card & Langner, a license for foreign filing, dated February 5, 1959, license number 250,351, attached hereto as Exhibit D. (62) This document states, 'this license is not retroactive unless specifically indicated.' The license contains no indication of retroactive effect.

"6. On February 21, 1957, the Plaintiff did file in the U. S. Patent Office an application for patent which became Serial No. 641,714, which was related to a certain extent to

the subject matter of 777,167. However, 641,714 did not contain certain substantial additional disclosure introducing new subject matter, which new matter is in both the Australian application and U. S. 777,167. A certified copy of 641,714 and the prosecution record thereof (file wrapper and contents) is attached hereto as Exhibit E.

"7. On January 11, 1960 Plaintiff did file still a third U. S. application Serial No. 1453 which included all of the disclosure of the second U. S. application 777,167, but added still further subject matter. Contrary to the requirements of the Patent Office as to the contents of the oath, Plaintiff failed to mention the then pending Australian application in the oath. A certified copy of Serial No. 1453 is attached hereto as Exhibit F.

(63) "8. The purported inventive activity of Hoover, Dupre and Rankin occurred in the United States. This is shown by the depositions of these persons, the transcripts of which are on file with this Court."

Now these eight particular allegations so set forth I hereby find in findings of fact herein.

Gentlemen, I do not believe that an applicant for a patent has a right to make the decision that the thing on which he asks a patent is or is not of some military value to the country, or is or is not involved in national defense.

Plaintiffs have here filed a patent suit on some kind of a scouring pad. In the Beckman case it had something to do with some chemical. If it had something to do with a paper napkin or a hemstitched handkerchief or a ball point pencil, or whatever the subject of the patent, it is not for the applicant to decide that Section 184 has no application to him. That is not his function. That is not his privilege. That is really not his business. It is the country's business.

Congress enacted this law to get sufficient control of anybody who applies for any kind of a patent so that the

thing for which he applies for (64) a patent in this country shall not be made available—since it originated in this country—it will not be made available to any foreign country in which applicant seeks another patent, unless he complies with this Section 184. He must go to the Commissioner or somebody connected with the United States Government who has to make the decision as to whether or not the information pertaining to the patent he seeks is good for us to permit to get into a foreign country. And the country in some one phase of its agencies or some one branch, particularly in its Patent Office, under the law has the right and duty of deciding whether or not this particular information should get out.

So when counsel says "But this has nothing to do with war, this has nothing to do with guns, this didn't go into the composition of a bomb, and, therefore, one should consider it as a very trifling incident, we should really pay no attention to it and should liberally construe the statute" —when counsel for Plaintiff says that to me—I have to say to counsel for Plaintiff, "Gentlemen, we must go to the law." And I will say again, patent lawyers must know all about these (65) laws. Other lawyers may not know about them until they look them up, until they are called to their attention. There is no question about the language here, and the Beckman decision certainly tells us what we have to do. There isn't any question here but what you are almost on all fours on your points.

You cannot by modifications enlarge your time. You cannot by amendments or supplements or divisions change the statute. The same question was raised in Beckman and decided, and I don't think any good lawyer or any good judge can disagree with it.

You say, well, do not give me a strict construction. Judges do not give strict constructions, and judges do not give liberal constructions. We can no more say, well, you are going to get a liberal construction than you can say,

well, this is military. The law is the law. It is as clear as it can be.

Patents carry great privileges and rights, in order to protect and foster invention. But these statutes here involved obviously are intended to make national interest paramount to those of inventors, if only for a very short time. These (66) statutes make the right of inventors secondary to those of the country; they require a six-month submission to proper governmental authority of the information contained in a patent application, as a condition precedent to filing the same information with other governments, under penalty of losing one's patent rights for failure to comply.

The applicant receives compensation for any loss occasioned to him by such delay, so it does him no harm whatsoever to obey the law. All persons are presumed to know the law. Specialists in patent law cannot help but know these laws. When an applicant presumes that because in his own judgment his product does not concern national safety, he disregards those statutes at his own risk. When he presumes that since "no damage has been done to the country" by his failure to follow this law, and for that reason that he is entitled to what he calls a "liberal" construction of the statute, he does so at his own risk.

We have no choice but to follow the law. Plaintiff should have done so to protect our country in the way in which Congress decided our country should be protected. Obviously, if an applicant chooses to file in a foreign country within six months of (67) filing in our country, he loses the rights our country gave him. Since he knows of such forfeit in advance, how can he complain? Here plaintiff says, in effect, that it didn't really take this law very seriously. It says it really did no harm. It says that its disobedience to the law entitles it to a "liberal" construction. This Court must say that by plaintiff's refusal

to comply with the law it has invalidated the patent rights this country sought to give it.

If plaintiff's own opinion that its patent did not involve national security would be a defense to the statute on invalidation, then all other applicants would be entitled to equal defense, in which case, opinions of applicants would nullify this law in toto.

We hold that this law is not nullified simply because this plaintiff ignored it.

I will follow the Beckman case and I grant the motion for summary judgment filed by the defense for the reasons given, and to which you take your exceptions.

That is all, gentlemen.

(68) Mr. Koykka: Before your Honor leaves the bench, may we consult with counsel. We may have a further request of the Court.

The Court: All right.

Mr. Haight: May it please the Court, I hope I can make the oral motion to request your Honor to withhold actual entry of judgment until we can get action from the Patent Office. As we indicated in argument, and I believe in the brief, we have an application for amendment of the prior license already granted, or the granting of a new license. We have that pending with a showing, as we believe, of inadvertence.

We could make that in a very formal written motion, if your Honor would prefer, but we would like to have judgment withheld until we can—

The Court: As far as I am concerned you get in your findings of fact and conclusions of law in accordance with what I said to you, and you are supposed to do that in 10 days.

That's all.

In the Supreme Court of the United States

Office-Supreme Court, U.S.
FILED
DEC 1 1966
JOHN F. DAVIS, CLERK

OCTOBER TERM, 1966.

No. 743.

NORTON COMPANY,
STUDEBAKER-PACKARD CORPORATION
and
HADCO CORPORATION,
Petitioners,

vs.

MINNESOTA MINING AND MANUFACTURING COMPANY,
Respondent.

ON PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT.

BRIEF FOR RESPONDENT IN OPPOSITION.

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INDEX.

BRIEF FOR RESPONDENT IN OPPOSITION 1

The Nature of This Case 1

Question Presented 3

The Statutory Plan 3

The Statement of Facts 4

—License Requirement Was Not Ignored 4

(i) License Was Applied for Before the Foreign Filings Were Made 5

(ii) Foreign Filings Were Inadvertently Made 12 to 17 Days Before License Issued 5

(iii) Application Was Forthwith Made for Retroactive License, Which Commissioner of Patents Granted 6

—Proceedings in Courts Below 6

Argument 7

This Case Does Not Call for Grant of Writ 7

I. No Court, Except District Court in This Case, Has Found Difficulty With Statute 7

(i) Courts That Have Passed on Problem Have Uniformly Rejected District Court's Reading 8

(ii) Law Review Writers Likewise Have Rejected District Court's Rendering of Statute 10

(iii) Uniform Administrative Construction of Statute Is Contrary to That Proposed by Petitioners 11

(iv) Case Presents No "Problem Area" Calling for Review—Statutory Command Is Plain 11

(v) Petitioners Create Case Only by Disregarding Fact Respondent Holds License Statute Requires 12

II. Perils Petitioners Fear Are Groundless—They Have Not Materialized in Quarter Century ____ 12

Conclusion ____ 14

TABLE OF AUTHORITIES.

Cases.

Barr Rubber Products Company v. Sun Rubber Company (U. S. D. C., S. D. N. Y., Mar. 9, 1966), 253 F. Supp. 12 ____ 9

Beckman Instruments, Inc. v. Coleman Instruments, Inc. (7 C. A., 1964), 338 F. 2d 573 ____ 10

Blake v. Bassick Company (N. D. Ill., 1963), 146 USPQ 157 ____ 8

Blake v. Bassick Company (N. D. Ill., 1965), 245 F. Supp. 635 ____ 9

Davidson Rubber Company v. Sheller Manufacturing Corporation (U. S. D. C., S. D. Iowa, 1965), 248 F. Supp. 842 ____ 9

Engelhard Industries, Inc. v. Sel-Rex Corporation (D. C. N. J., Jan. 11, 1965), 145 USPQ 319 ____ 8

Engelhard Industries, Inc. v. Sel-Rex Corporation (D. C. N. J., April 12, 1965), 145 USPQ 325 ____ 8

Knoll Associates, Inc. v. Contemporary Shells, Inc. (Oct. 3, 1966), United States District Court for the Eastern District of New York ____ 10

Knoll Associates, Inc. v. Glomar Industries, Inc. (Oct. 3, 1966), United States District Court for the Eastern District of New York ____ 10

L[illegible] and Heineman, In re (1948), 77 USPQ 659 ____ 12

McCormick v. Brenner (1965), 146 USPQ 340 ____ 9

McCulloch Motors Corporation v. Oregon Saw Chain Corporation (July 29, 1963), United States District Court for the Southern District of California 7

McCulloch Motors Corporation v. Oregon Saw Chain Corporation (April 15, 1965), United States District Court for the Southern District of California 8

McCulloch Motors Corporation v. Oregon Saw Chain Corporation (U. S. D. C., S. D. Cal., Aug. 5, 1965), 245 F. Supp. 851 ---------- 9

Nordberg Manufacturing Co. v. Jackson Vibrators, Inc., Civil Action No. 63 C 2250, unreported (N. D. Ill., Feb. 10, 1966) ---------- 9

Pillsbury Company v. Brenner (D. C. D. Col., June 29, 1965), 146 USPQ 99 ---------- 8

Pillsbury Company v. General Mills, Inc. (D. C. Minn., Feb. 10, 1966), 252 F. Supp. 747 ---------- 9

Rinker and Duva, In re (1964), 145 USPQ 156 ---- 11

Ross v. McQuay, Inc. (D. C. Minn., July 26, 1966), 150 USPQ 510 ---------- 10

Union Carbide Corporation v. Microtron Corporation (U. S. C. D., W. D. N. C., May 24, 1966), 254 F. Supp. 299 ---------- 9

Statutes.

55 Stat. 657 ---------- 12

60 Stat. 940 ---------- 12

66 Stat. 792, 805 ---------- 3

35 U. S. C. 181 ---------- 3

35 U. S. C. 181 through 188 ---------- 3

35 U. S. C. 184 ----------1, 2, 3, 4, 6

35 U. S. C. 185 ---------- 12

35 U. S. C. 186 ---------- 13

Publications.

34 *George Washington Law Review* 373 (December 1965) ---------- 10

48 *Journal of the Patent Office Society* 75 (February 1966) ---------- 10

64 *Michigan Law Review* 496 (January 1966) ---------- 10

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ON PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT.

BRIEF FOR RESPONDENT IN OPPOSITION.

THE NATURE OF THIS CASE.

This is a patent suit.

It turns on the meaning of one sentence in 35 U. S. C. 184. The sentence has been passed upon in 19 decisions by 15 federal judges in 11 separate jurisdictions. Every court that has looked at the sentence (except only the District Court in this case) has read it as did the Court of Appeals in the decision below.

The critical sentence says that (where a license is required for filing a patent application abroad):

> "*The license may be granted retroactively* [by the Commissioner of Patents] where an application has been inadvertently filed abroad and the application

> does not disclose an invention within the scope of Section 181 of this title [i.e., does not disclose an invention of importance to national security, for, if it does, the application will be sealed and no patent will issue]." 35 U. S. C. 184.[1]

The invention in this case concerns a scouring pad—revolutionary, to be sure, as the Court of Appeals noted, but not warlike.[2]

Judge Connell, in the United States District Court in Cleveland, held the sentence means a license may be granted retroactively *if*, but only if, it is granted *before* the United States patent issues. Upon this reading the District Court, on March 30, 1965, entered summary judgment and held the patent in suit invalid. 240 F. Supp. 150.

The United States Court of Appeals for the Sixth Circuit (Judges O'Sullivan, Weick and Celebrezze) found no such limitation. The Court of Appeals considered "Congress spoke plainly," [3] and, quoting the sentence, observed:

> "This is clear language and we are unable to read into it the restriction relied on by appellee [petitioners here] and imposed by the District Judge, viz: that the Commissioner's authority to grant the license ends once the patent has issued. The only restriction imposed on the Commissioner is that he must find inadvertence in the foreign filing and that disclosure of the invention would not be detrimental to the national security." [4]

The Court of Appeals accordingly reversed the summary judgment, correctly as respondent believes, and remanded the case to the District Court for trial on the merits. 366 F. 2d 238.

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[1] Emphasis supplied throughout.

[2] Appendix to Petition for Certiorari, page 4A.

[3] Appendix to the Petition for Certiorari, page 7A.

[4] Appendix to Petition for Certiorari, page 6A.

QUESTION PRESENTED.

Petitioners tender questions, each based on the assumption that the "patent is invalid." This is the very issue in controversy and, of course, may not be assumed. Devoid of petitioners' inadmissible assumption, the question the record presents is:

> Whether, under 35 U. S. C. 184, which says "The license may be granted retroactively," the Commissioner of Patents may grant the retroactive license after, as well as before, the United States patent has issued.

The District Court said "No"; the Court of Appeals said "Yes."

Although the case turns on a single sentence, it will be useful to observe its setting in—

THE STATUTORY PLAN.

35 U. S. C. 184, which carries the critical sentence, is one of eight sections, 35 U. S. C. 181 through 188, that took their present form in 1952, 66 Stat. 792, 805, in a codification of earlier acts, some going back to 1917.

These statutes specify that a patent application be not filed abroad prior to six months after the American filing, except upon leave of the Commissioner of Patents. If during that six-months' period it is determined, as 35 U. S. C. 181 puts it, that disclosure of the invention would:

> "be detrimental to the national security,"

a seal of secrecy will be imposed and no patent will issue. If, however, no secrecy order issues within the six-months' period, foreign filings may be freely made without license.

Since most inventions do not involve any element of national security, 35 U. S. C. 184 authorizes the Commissioner of Patents to permit, by license, the instant filing

of a patent application abroad without waiting the six-months' period. Additionally, recognizing that, in view of human frailty, applications may be inadvertently filed without license, the statute adds the here governing sentence:

> "*The license may be granted retroactively* where an application has been inadvertently filed abroad and the application does not disclose an invention [material to national security]." 35 U. S. C. 184.

The role this provision plays in the present case will become apparent from—

THE STATEMENT OF FACTS.

The action is brought by respondent, Minnesota Mining and Manufacturing Company, commonly known as 3M, owner of Hoover patent, U. S. No. 2,958,593 (165a)[5] against petitioners, Norton Company, manufacturer (through its Behr-Manning Division) of the accused product (26a, 16a-19a, 67a-68a), Studebaker-Packard Corporation, distributor of the accused product (72a, 80a, 91a), and Hadco Corporation, a seller. (95a-96a.) The 3M product is marketed under the brand "Scotch-Brite" and the accused product is marketed as "Bear-Tex."

—License Requirement Was Not Ignored.

The initial application for the patent was filed February 21, 1957. (143a.) That application, the Court of Appeals noted, "disclosed the first eight claims of the patent, which are the claims in suit." [6] (111a, 181a, 182a.)

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[5] References with the subjoined lower case "a" are to "Appellant's Appendix" and "Appellant's Supplemental Appendix" filed in the court below and certified here; references with a subjoined "b" are to "Appellee's Appendix" and "Appellee's Supplemental Appendix" similarly certified here.

[6] Page 4A of the Appendix to the Petition for Certiorari.

The foreign filings which led the District Court to grant the motion for summary judgment were made January 19-24, 1959. (190a-191a, 229a.)

Although the initial application was thus on file *for nearly two years* before the foreign filings, the District Court struck down the patent because on October 8, 1958 (which was *within* six months of the January 1959 foreign filings) a second, or, as the patent law puts it, a "continuation in part" application was filed which added disclosure of a specific embodiment of the invention covered by later allowed claims 12 and 13, not here sued upon. (182a, 111a.)

The patent issued on November 1, 1960 (165a) on a third continuation-in-part application filed January 11, 1960 (163a) which added the subject matter of claims 9, 10 and 11, also not here sued upon. (111a.)

(i) License Was Applied for Before the Foreign Filings Were Made.

When it was decided to file abroad, after the second patent application, 3M directed Langner, Parry, Card & Langner, of Chicago, experts in this field, to attend to the foreign filings. (199a.) That firm, on January 8, 1959, *before* the foreign filings, applied to the Commissioner of Patents for a license. (141a.) The license was granted on February 5, 1959. (142a.)

However, as it turned out—

(ii) Foreign Filings Were Inadvertently Made 12 to 17 Days Before License Issued.

By a stenographer's error (27b-28b, 30b-31b, 79b-83b) and a lawyer's failure to catch that error (89b-90b) applications went to five foreign countries, and were filed, 12 to 17 days *ahead* of the license that had theretofore

been applied for and which issued on February 5, 1959. (142a.)

This mischance remained unknown and undiscovered for more than five years. (199a, 200a.)

Counsel for 3M learned of the blunder on the eve of trial when they sought information, not available at 3M, to respond to last-minute interrogatories served by Norton (after the case had been pending for more than three years). To get the needed information counsel for 3M directed inquiry, on December 15, 1964, to Langner, Parry, Card & Langner, and that firm in searching its records discovered, and reported to counsel for 3M, the disquieting news that the foreign filings had been made a few days before the license was in hand. (199a.)

(iii) Application Was Forthwith Made for Retroactive License, Which Commissioner of Patents Granted.

When investigation confirmed the error, counsel for 3M instantly applied to the Commissioner of Patents on December 22, 1964, for a retroactive license under 35 U. S. C. 184. (199a.)

The Commissioner granted the license on January 8, 1965, "retroactive to January 8, 1959," the date on which the initial license had been applied for, which was prior to the foreign filings. (230a, 196a.)

—Proceedings in Courts Below.

When the case was called for trial on Monday, January 4, 1965, the District Court was advised of the pending application for a retroactive license. (180a, 194a.) Instead of staying proceedings, the District Court in an oral opinion from the bench granted the motion for summary judgment that Norton had, just before the trial, filed on December 23, 1964. (186a-194a.) However, no judgment

was entered, and, when the retroactive license issued four days later, on Friday, January 8, 1965, the District Court reconsidered the matter (220a-229a), but, on March 30, 1965 (232a), notwithstanding the retroactive license, entered judgment on the motion for summary judgment adjudging the patent invalid. (220a-228a, 231a.)

Thereupon followed the appeal and the reversal by the Sixth Circuit.

ARGUMENT.

THIS CASE DOES NOT CALL FOR GRANT OF WRIT.

The standards declared by this Court for review are not here satisfied.

I. NO COURT, EXCEPT DISTRICT COURT IN THIS CASE, HAS FOUND DIFFICULTY WITH STATUTE.

When this case came before the District Court it was believed the question was one of first impression. In the flurry occasioned by the last-minute motion for summary judgment it was not possible to make the search the District Court would surely have welcomed—and surely would have followed.

As it turned out, precisely the same question had previously come before three district judges, and each, unaware of the other then pending cases, had independently read the statute in the same way as the Court of Appeals was later to read it in this case, namely:

McCulloch Motors Corporation v. Oregon Saw Chain Corporation, Civil Action No. 919-57-PH, decided July 29, 1963, by Judge Hall in the United States District Court for the Southern District of California, unreported, but reproduced at 253a-254a;

Blake v. Bassick Company, 146 USPQ 157, decided November 5, 1963, by Judge Robson in the United States District Court for the Northern District of Illinois;

Engelhard Industries, Inc. v. Sel-Rex Corporation, 145 USPQ 319, decided January 11, 1965, by Judge Meaney in the United States District Court for the District of New Jersey.

(i) Courts That Have Passed on Problem Have Uniformly Rejected District Court's Reading.

Subsequent to the District Court's decision—and before the reversal in the Court of Appeals—the District Court's decision in this case was urged upon other district judges. In each instance each judge who had the matter before him rejected the reasoning of the District Court in this case and found in the statute the same meaning the Sixth Circuit was later to find there stated in "clear language," *viz*:

Engelhard Industries, Inc. v. Sel-Rex Corporation, 145 USPQ 325, decided April 12, 1965, by Judge Meaney in the United States District Court for the District of New Jersey;

McCulloch Motors Corporation v. Oregon Saw Chain Corporation, Civil Action No. 919-57-PH, decided April 15, 1965, by Judge Hall in the United States District Court for the Southern District of California, unreported, but reproduced at 255a-257a;

Pillsbury Company v. Brenner, 146 USPQ 99, decided June 29, 1965, by Judge Jackson in the United States District Court for the District of Columbia;

Blake v. Bassick Company, 245 F. Supp. 635, decided June 30, 1965, by Judge Robson in the United States District Court for the Northern District of Illinois;

McCormick v. Brenner, 146 USPQ 340, decided June 30, 1965, by Judge Jackson in the United States District Court for the District of Columbia;

McCulloch Motors Corporation v. Oregon Saw Chain Corporation, 245 F. Supp. 851, decided August 5, 1965, by Judge Hall in the United States District Court for the Southern District of California;

Davidson Rubber Company v. Sheller Manufacturing Corporation, 248 F. Supp. 842, decided December 1, 1965, by Judge Stephenson in the United States District Court for the Southern District of Iowa;

Nordberg Manufacturing Co. v. Jackson Vibrators, Inc., Civil Action No. 63C 2250, decided February 10, 1966, by Judge Decker in the Northern District of Illinois, unreported, but reproduced at 261a-262a;

Pillsbury Company v. General Mills, Inc., 252 F. Supp. 747, decided February 10, 1966, by Judge Nordbye in the United States District Court for the District of Minnesota;

Barr Rubber Products Company v. Sun Rubber Company, 253 F. Supp. 12, decided March 9, 1966, by Judge Feinberg in the United States District Court for the Southern District of New York;

Union Carbide Corporation v. Microtron Corporation, 254 F. Supp. 299, decided May 24, 1966, by Judge Craven in the United States District Court for the Western District of North Carolina;

Ross v. McQuay, Inc., 150 USPQ 510, decided July 26, 1966, by Judge Devitt in the United States District Court for the District of Minnesota.

Following the decision by the Court of Appeals two more cases (adopting the reasoning of the Court of Appeals in this case and rejecting that of the District Court) have come down:

Knoll Associates, Inc. v. Contemporary Shells, Inc., Civil Action No. 65-C-1200, in the United States District Court for the Eastern District of New York, decided October 3, 1966, by Judge Zavatt;

Knoll Associates, Inc. v. Glomar Industries, Inc., Civil Action No. 66-C-129, in the United States District Court for the Eastern District of New York, decided October 3, 1966, by Judge Zavatt.

There is no decision to the contrary. *Beckman Instruments, Inc. v. Coleman Instruments, Inc.* (7 C. A., 1964), 338 F. 2d 573, cited by petitioners, does not remotely touch the problem. There no license whatever was either applied for or granted. The question here presented thus could not there arise.

(ii) Law Review Writers Likewise Have Rejected District Court's Rendering of Statute.

The problem has been examined by writers in three law reviews, all issued prior to the decision of the Court of Appeals in this case. Each rejected the reasoning of the District Court in this case:

34 *George Washington Law Review* 373 (December 1965);

64 *Michigan Law Review* 496 (January 1966);

48 *Journal of the Patent Office Society* 75 (February 1966).

(iii) Uniform Administrative Construction of Statute Is Contrary to that Proposed by Petitioners.

The administrative construction of the statute has been in accord. This is shown by the foregoing cases where, after the patent had issued, retroactive licenses were granted by the Commissioner and sustained by the courts.

Only by stopping short the reading of *In re Rinker and Duva* (1964), 145 USPQ 156, can petitioners come to a contrary view of the long-settled administrative construction of the statute. When petitioners' clip from *Rinker and Duva* (page 15 of Petitioners' Brief) is restored to context the passage pointed to (the part quoted by petitioners being italicized) reads as follows (p. 156):

> "Nothing is found in 35 U. S. C. 184 which would restrict the time at which the Commissioner may grant a retroactive license. *Section 185 is not concerned with retroactive licenses* and contains nothing which would restrict that granting."

(iv) Case Presents No "Problem Area" Calling for Review —Statutory Command Is Plain.

Statutory construction, of course, is not to be resolved by a counting of noses—whether of federal judges, of law review writers, or of administrators of the statute. However, the unanimity of opinion reflected in the decisions warrants the conclusion that this case brings to this Court no problem area. To the contrary, it suggests that petitioners, if they think congressional will has been so widely misread, should address their arguments to Congress, which can, if it wishes, change the "clear language" of the statute.

(v) Petitioners Create Case Only by Disregarding Fact Respondent Holds License Statute Requires.

The fundamental misconception petitioners bring to the case springs from failure to recognize that the companion statute, 35 U. S. C. 185 (which says that a patent "shall be invalid" if issued without license when one is needed) *defines the license* for want of which a "patent shall be invalid," as:

> "the license *prescribed in section 184 of this title* * * *." 35 U. S. C. 185.

The "license prescribed in section 184" *includes* not only the license issued before the foreign filing but also the license "granted retroactively." Both are "prescribed in section 184 * * *." Respondent holds such license.

II. PERILS PETITIONERS FEAR ARE GROUNDLESS—THEY HAVE NOT MATERIALIZED IN QUARTER CENTURY.

Petitioners find it frightening that inadvertent error may be corrected by a retroactive license.

There is no cause for alarm.

Provision for licensing of foreign patent filings first came into the law in 1941. 55 Stat. 657. That statute did not, in express terms, provide for retroactive licenses. However, the statute, in practice, was construed to authorize the grant of such licenses. This is plain from the House Committee Report (218a-220a) recommending passage of the Boykin Act of 1946, 60 Stat. 940, to authorize expressly the grant of retroactive licenses. (220a.) This is shown also by *In re Lee and Heineman* (1948), 77 USPQ 659, where the Commissioner pointed out that the practice had been to grant such licenses where (p. 659) "a license would have been granted if request therefor had been

made, and the failure to make the request was due to inadvertence * * *."

Thus, retroactive licenses have been granted since the licensing provision first came into the law in 1941. This practice has continued under the present law, as the decisions above noted show.

The point is plain: A quarter of a century of experience with retroactive licensing has not produced the perils petitioners profess to fear.

Nor is there danger to national security. Petitioners may sleep soundly notwithstanding the decision of the Court of Appeals. A retroactive license may issue (1) only if the invention is of no concern to national security, and (2) only if the Commissioner finds the application was "inadvertently filed abroad." One intentionally violating the statute has not done so "inadvertently." Such person can be given no relief under the statute.

Congress has determined that destruction of the patent, a fine up to $10,000, and imprisonment up to two years are deterrents enough to curb the wilful violator, 35 U. S. C. 186, and that public policy does not forbid the grant of a retroactive license to one whose invention is of no concern to national security and who "inadvertently" trips on the statute.

It would be ironic to give to what Congress devised as a relief measure a construction that would, in the name of national security, destroy an invention that the Commissioner has four times certified has no connection with national security, *viz.*:

1. By issuing no secrecy order during the nearly two years the invention disclosed in claims 1 through 8 (the only ones here sued upon) was on file before him.
2. By granting the license of February 5, 1959.

3. By issuing the patent on November 1, 1960—which is the final, formal and irrevocable certification that there is nothing in the patent of concern to national security.
4. By granting the retroactive license of January 8, 1965.

CONCLUSION.

The petition for a writ of certiorari should be denied, and the case, as ordered by the Court of Appeals, be remanded to the District Court for trial on the merits.

Respectfully submitted

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1966

No. 743

NORTON COMPANY, STUDEBAKER-PACKARD CORPORATION, and HADCO CORPORATION, *Petitioners*

v.

MINNESOTA MINING AND MANUFACTURING COMPANY, *Respondent*

On Petition for Writ of Certiorari to the United States Court of Appeals for the Sixth Circuit

BRIEF FOR PETITIONERS IN REPLY TO RESPONDENT'S BRIEF

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Respondent's Brief (page 3) distorts Petitioners' questions, by arguing that they are based on an "assumption" that the patent is invalid, and then complains that this is the very issue in controversy. Petitioners' questions are not based on an "assumption". They start with the unchallenged premise that this patent was invalid *at the time it issued,* because of 35 U.S.C. 185 as applied by the Court of Appeals in *Beckman Instruments, Inc.* v. *Coleman Instruments, Inc.,* 338 F. 2d 573, 7 Cir., 1964. The Court of Appeals below stated this interpretation of the Beckman case (Appendix to Petition, page 8A, second paragraph).

Respondent's Brief does not explain how such a patent, invalid *upon issuance,* can be made valid years

later and by *ex parte* action at the Patent Office, even while the patent is involved in litigation in a District Court. Respondent does not attempt to explain how the rights of the public to defend against such a patent, invalid when it issued, can be taken away from the public.

Respondent nowhere even attempts to explain away the plain language of Section 185 that, "Notwithstanding any other provisions of law . . ." the party ". . . *shall not receive* . . ." a patent if he has not previously procured the license required by Section 185.[1]

Respondent does not discuss the *public interest* in the avoidance of scarecrow patents. Respondent has no rebuttal to Petitioners' point that invalid patents are going to pose as valid ones if the Court of Appeals decision becomes the law.

Petitioners further note that an erroneous impression is raised by the Respondent's "Statement Of Facts" which state that the "foreign filings were inadvertently made . . . by a stenographer's error . . . and a lawyer's failure to catch that error" (Respondent's Brief, page 5).

The proceedings in the District Court never reached the stage of *inter-parties* investigation of the *facts* behind the foreign filings, nor were any judicial findings made of such facts. Instead, the case was decided by the District Court solely on the *point of law involved,* and reviewed by the Court of Appeals on that basis.

Respondent's approach upon the Commissioner of Patents to obtain the retroactive license was made while the case was before the District Court and was entirely *ex parte.*

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[1] Emphasis supplied.

Therefore, it is inappropriate for Respondent to include in its brief to this Court, an argument suggesting there was a finding that an "invertency" had occurred.[1, 2]

In summary, the issue to be decided in this case remains one solely of statutory construction, and the Petition should be granted so that the important Federal questions involved may be settled by this Court.

Respectfully submitted,

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[1] If it be appropriate to refer to these facts, then in regard to the foreign filings, it is just likely they were done without awaiting a license deliberately, as to meet a critical date, witness the urgent dictate to file "—immediately or before January 25, 1959" in the letters of instruction dated January 13th to foreign agents (Petitioners' Appendix, pages 33b-37b, inclusive). Note also on each letter (lower left corner) the instruction to send a "Full Rate Cable" on the "Same Day" the letter was received, and another on the day the application was filed.

[2] It is also error for Respondent to state at page 2 of its Brief that the Court of Appeals noted the invention to be "revolutionary", when that Court only noted that the Respondent *alleged* it to be so, see Appendix to Petition, page 4A, 1st paragraph.